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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/043,988	01/09/2002	Michael D. Brown	057799-2002 (157450-0007)	8099
7590 07/06/2004			EXAMINER	
Bernard L. Kleinke Foley & Lardner 23rd Floor 402 West Broadway San Diego, CA 92101-3542			NGUYEN, TAN D	
			ART UNIT	PAPER NUMBER
			3629	

DATE MAILED: 07/06/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

10/043,988

Applicant(s)

BROWN ET AL.

Examiner

Tan Dean D. Nguyen

Art Unit

3629

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
 - If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
 - If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
 - Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 25 November 2002.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-13 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-13 is/are rejected.
- 7) ☒ Claim(s) 2-3, 6, 8-9, 12 is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date 11/25/02
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____

DETAILED ACTION

Claims Status

Claims 1-13 are pending and are treated as followed.

Information Disclosure Statement

1. The information disclosure statement (IDS) submitted on 11/25/02 was filed after the mailing date of the Application on 1/9/02. The submission is in compliance with the provisions of 37 CFR 1.97. Accordingly, the information disclosure statement is being considered by the examiner.

Claim Rejections - 35 USC § 101

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. **Claims 1-6, 13 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.**

In order for the claimed invention to be statutory subject matter, the claimed invention must fall within one of the statutory classes of invention as set forth in § 101 (i.e. a process, machine, manufacture, or composition of matter).

In the present case, claims 1-6, 13 are directed to a method and program product for "transferring a gift to charity", which is not within one of the classes of invention set forth in § 101.

The method and program product for "transferring a gift to charity" comprising the steps of:

"(a) causing a business entity to issue ,

(b) causing said gift donor transfer ...,
(c) causing said business entity to purchase ...,
(d) causing the business entity to purchase ... and
(e) allocating at least a portion of said regular payment to said charity",
as shown are merely an abstract idea and do not produce a useful, tangible,
concrete results.

The method and program product for "transferring a gift to charity" comprising the steps of (a)-(e) as shown are merely an abstract idea and does not reduce to a practical application in the technological arts (inclusion of computer or computing network) and are therefore are found to be non-statutory. See *In re Alappat*, 33 F.3d at 1544, 31 USPQ2d at 1557, or *In re Waldbaum*, 173 USPQ 430 (CCPA 1972) or *In re Musgrave*, 167 USPQ 280 (CCPA 1970) and *In re Johnston*, 183 USPQ 172.

Claim Rejections - 35 USC § 112

4. Claims 1-6, 7-12, 13 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. In independent claims 1, 7, 13, it's not clear the relationship of the 1st two steps ((a) - (b) especially with respect to gift donor) to the remaining steps ((c) - (e)). The field of the invention calls for "implementing and administering a charitable gift transfer plan" but it's not clear from the claim how the implementing and administering goals are carried out. It's not clear how step (c) of causing the business entity to purchase an insurance policy contributes to the scope of

the claimed invention which is "implementing and administering transfer of gift to charity".

Claim Objections

5. Dependent claims 2-3, 6, and 8-9 and 12 are objected to under 37 CFR 1.75(c), as being of improper dependent form for failing to further limit the subject matter of a previous claim. Applicant is required to cancel the claim(s), or amend the claim(s) to place the claim(s) in proper dependent form, or rewrite the claim(s) in independent form. It's not clear how these limitations dealing with purchasing annuity and insurance policy further narrow the scope of the claim which is administering the transferring of a gift to charity. Note that the limitation of "insurance policy" has been rejected in the independent claims under 35 U.S.C. 112, second paragraph, as indicated above.

Claim Rejections - 35 USC § 103

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

7. **Claims 1, 4-5, 7, 10-11, 13 are rejected under 35 U.S.C. 103(a) as being unpatentable over Article 2/1999 (eBay ...Giving) in view of Article 7/2000 (Charity campaign partners ... charitable giving).**

As for independent claims 1 (method) and 7 (system), ARTICLE 2/1999 discloses a unique method and system of transferring gift to a charity (or corporate charitable giving) comprising the step of (a) causing a business Entity (eBay Inc.) to

Art Unit: 3629

issue common shares to second entity (foundation) who functions as gift donor (eBay Foundation), (b) causing the second entity (or gift donor) (eBay Foundation) to transfer the common shares to a charitable organization or charity (Community Foundation Silicon Valley or Friends of Farm Drive) (see page 1). ARTICLE 2/1999 discloses the claimed invention except for the relevant last two steps of (d) purchasing annuity and (e) allocating at least a portion of the regular payment from annuity to the charity. Note that the limitations of (c) buying an insurance policy has no connection to giving to charity and has been objected and rejected above.

ARTICLE 7/2000 is cited to teach well known concept for charitable giving from annuitants in the form of regular federal annuity payments to charity (CFC). The annuitant inherently (d) purchasing annuity from an annuity seller and the annuity generates a regular payment and (e) the annuitant allocating at least a portion of the regular payment to the charity (CFC) with the help of the Charity Campaign partners. Since it's well known in the art that corporate can reduce taxable income by charitable giving or deduction (see application [0012]), it would have been to modify the donation to charity teaching of ARTICLE 2/1999 by incorporating steps (d) and (e) as taught by ARTICLE 7/2000 above to find way to reduce corporate tax liability while making contribution to the charity on a consistent basis based on payment from annuity as described above. Note the difference in the type of annuitant, Federal employee or retiree vs. business entity, is not critical since a business entity can purchase annuity if desire. In other word, it would have been obvious for corporate to purchase annuity to generate regular payment in view of annuity program as shown in ARTICLE 7/2000.

Note that the donation of regular annuity payments (amount and frequency) to charity allow constant cash flow to the charity and overcome one of the major problem described in the background of the invention which is "lack of periodic cash flow to charity". Also the forming of "eBay Foundation" provides a highly efficient and effective way for eBay Inc. to donate to charity and reduce taxable income.

As for dep. claims 5 and 11 (same limitation) which deal with the type of business entity, a corporation, this is non-essential limitation to the claimed invention and is shown in ARTICLE 2/1999 as eBay corporation.

As for dep. claims 4 and 10 (same limitation) which deal with the type of business entity, an LLC, this is non-essential limitation to the claimed invention and would have been obvious to do so in view of the general teaching of a other type of company, i.e. corporation, in ARTICLE 2/1999. The selection of the type of company varies with the type of business and owner desire and would have been obvious to a skilled artisan.

As for Independent claim 13 which deals with a program product to carry out the step of Independent claim 1, this would have been obvious in view of the teaching of ARTICLE 7/2000 on page 2 which indicates it has program to carry out donation steps above and other options such as online. Alternatively, it would have been obvious to automate these steps through programming to achieve benefits of computer automation. See *In re Vennel*, 120 UQ 192.

Conclusion

8. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

I. US:

1) US 2003/0163402 by Kicart discloses giving to charity in the form of annuity or payment (see 0068) and other financial investment vehicles if desired (see Fig. 1b). It's cited here for applicant's awareness to avoid duplicate rejections but could be used in the next rejection for any similar limitations of other financial investment vehicles for corporate to increase types and amounts to charity to further reduce taxable income.

2) US 6,473,737 teaches system for providing an executive compensation system including form charitable remainder trust (see Fig. 2A).

Art Unit: 3629

9. Telephone inquiries regarding the status of applications or other general questions, by persons entitled to the information, should be directed to the group clerical personnel and not to the examiner. As the official records and applications are located in the clerical section of the examining Tech Center, the clerical personnel can readily provide status information without contacting the examiner. See MPEP 203.08. The Tech Center clerical receptionist number is (703) 308-1113.

In receiving an Office Action, it becomes apparent that certain documents are missing, e. g. copies of references, Forms PTO 1449, PTO-892, etc., requests for copies should be directed to Tech Center 3600 Customer Service at (703) 306-5771, or e-mail CustomerService3600@uspto.gov .

Any inquiry concerning the merits of the examination of the application should be directed to Dean Tan Nguyen at telephone number (703) 308-2053. My work schedule is normally Monday through Friday from 7:00 am through 4:30 pm.

Should I be unavailable during my normal working hours, my supervisor John Weiss may be reached at (703) 308-2702. The FAX phone numbers for formal communications concerning this application are (703) 305-7687. Informal communications may be made, following a telephone call to the examiner, by an informal FAX number to be given.

Other possibly helpful telephone numbers are:

Allowed Files & Publication	(703) 305-8322
Assignment Branch	(703) 308-9287
Certificates of Correction	(703) 305-8309
Drawing Corrections/Draftsman	(703) 305-8404/ 8335
Fee Questions	(703) 305-5125
Intellectual Property Questions	(703) 305-8217
Petitions/Special Programs	(703) 305-9282
Terminal Disclaimers	(703) 305-8408
Information Help Line	1-800-786-9199

dtn
June 27, 2004


DEAN T. NGUYEN
PRIMARY EXAMINER